



LIBERTY BAY
CREDIT UNION



2023 Annual Report

Values That Drive Us

Members First

Our values revolve around prioritizing our members and crafting unparalleled experiences. Beyond merely offering a suite of financial services, we dedicate ourselves to understanding your unique needs and aspirations. Our commitment lies in not just providing services, but in empowering you with the necessary tools to consistently reach your objectives. With Liberty Bay, your financial journey is not just a transaction; it's a partnership built on trust and support, ensuring your success time and time again.

Community First

We take pride in our mission to foster a culture of giving, ignite a spirit of volunteerism, and equip our employees with the resources to unite for meaningful causes. Through these initiatives, we aim to create lasting positive change and contribute to the growth and vitality of our communities. At Liberty Bay Credit Union, community empowerment isn't just a slogan; it's a core principle that guides everything we do.

Digital First

We understand that life doesn't adhere to traditional banking hours. That's why we're dedicated to providing seamless access to our services whenever and wherever you need them. Whether you're at home, in the office, or on the go, our digital banking services ensure that managing your finances is convenient and efficient. With our 24/7 digital availability, you have the freedom to choose how and when you interact with us. From online banking to mobile apps, we offer a range of digital tools designed to make managing your finances a breeze.

2023 Year in Review

New Members

894 new members
welcomed in 2023



Business Loans

65 loans totaling
\$36,615,802



Home Loans

82 loans totaling
\$37,049,890



Home Equity Loans

266 loans totaling
\$37,314,351



Personal Loans

1391 loans totaling
\$32,897,436



the Chairman of the Board & the President & CEO

"WE CONSISTENTLY DEMONSTRATE OUR VALUE TO OUR MEMBERS BY MAINTAINING COMPETITIVE RATES ON DEPOSITS AND LOANS, MINIMIZING FEES, AND BROADENING CREDIT ACCESS TO NEW AND EXISTING MEMBERS, ESPECIALLY TARGETING THE UNDERSERVED."

"WE ARE DEEPLY THANKFUL TO OUR DEVOTED MEMBERS AND ARE COMMITTED TO SUPPORTING OUR COMMUNITY. IN 2023, WE SUBSTANTIALLY INCREASED OUR CONTRIBUTIONS TO CHARITABLE CAUSES AND INDIVIDUALS IN NEED, INCREASING DONATIONS AND THOSE HELPED BY 25% AND 40%, RESPECTIVELY."

The Board of Directors and the management team of Liberty Bay Credit Union are delighted to share the credit union's financial achievements in 2023. Our unwavering commitment to refining our operations, which involved improving efficiency, focused asset and liability management, and intelligent capital allocation, has yielded great results. We achieved lending growth of \$57 million, representing a commendable 10% increase in our loan portfolio without increasing credit risk. Furthermore, our total assets grew by \$42 million, rising from \$744 million at the end of 2022 to \$786 million by the close of 2023, a 5% annualized growth. Our net worth ratio impressively stood at 14.7%, placing us among the industry leaders nationwide. The year concluded with net income of \$3.4 million and a return on average assets of 0.46%, demonstrating our ability to sustain strong earnings despite challenging economic conditions. Our financial performance underscores our resilience.

This year's progress was driven by heightened loan originations and prudent expense management, paired with a forward-thinking, digital-first strategy. We consistently demonstrate our value to our members by maintaining competitive rates on deposits and loans, minimizing fees, and broadening credit access to new and existing members, especially targeting the underserved. Our continued investment in the credit union, focusing on technology and digital services, meets the modern expectations of consumers needing financial services.

At Liberty Bay's core, the principles of service, trust, and stability guide our mission. Our solid capital structure is a testament to our commitment to the credit union's safety and dependability, securing our members' confidence. Liberty Bay is a well-managed institution with a robust balance sheet and significant financial reserves, adept at navigating market fluctuations where trust in financial institutions might be tested.

Our growth is enhanced by learning from and engaging with individuals at leading organizations, particularly in the financial services and technology sectors, with a focus on data science and artificial intelligence. This learning enriches our strategic and operational approaches and assists with innovation and corporate entrepreneurship efforts.

This year, we dedicated ourselves to documenting standard procedures across all business and operational areas, a testament to our belief that progress cannot be made without clear standards. Our aim to improve efficiency goes beyond short-term cost savings, focusing instead on our operations' continuous and systematic enhancement for gradual, sustained benefits. A deep understanding of our processes and their rationales enables us to improve our member services, refine our strategic objectives, and embrace technology that aids our efficiency and service improvement efforts.

We are careful stewards of the Credit Union's capital—your capital. Our team is dedicated to providing outstanding service through all delivery channels at every interaction. We are deeply thankful to our devoted members and are committed to supporting our community. In 2023, we substantially increased our contributions to charitable causes and individuals in need, increasing donations and those helped by 25% and 40%, respectively. The upcoming sections will highlight some of the organizations we supported this year, demonstrating our commitment to positively impacting our community.

We are grateful for your trust in us to guide your credit union.

Sincerely,



Peter Lincoln
Chairman of the Board

Sincerely,



John M. Parillo
President & CEO

Liberty Bay in the Community



SOME OF THE ORGANIZATIONS WE SUPPORTED

South Shore Food Bank

Marissa's Mission

Scituate Community Christmas

Weymouth Irish Heritage Day

Italian Home for Children

Marge Crispin Center

Old Colony Hospice

Road to Responsibility

South Shore Elder Services

NeighborWorks

Old Colony YMCA

Pan-Mass Challenge

Braintree Police Association

Joseph 'Dodo' Nee Foundation

Cohasset Firefighters Safety Guide

Kyle's Klassic

Our Community Matters team is dedicated to improving the well-being of our members and employees in the communities in which they live. We demonstrate this dedication by participating in volunteer projects, partnering with local non-profit organizations, developing financial literacy programs, and providing financial support to community-enriching projects. This holistic approach to community involvement helps build trust, strengthen relationships, and make a lasting difference in the lives of individuals and families within the local area.

In 2023, Liberty Bay Credit Union demonstrated its commitment to the community by donating over \$100,000 to 92 local groups. Moreover, the institution awarded 12 scholarships amounting to \$13,000 to talented local students. These initiatives play a crucial role in building a stronger and more vibrant community.



Celebrating Our Employees

We believe that our employees are our greatest asset, and we take pride in celebrating their contributions and achievements. We recognize that their dedication and hard work are essential to our success as an organization and to the exceptional experiences we provide to our members.



Liberty Bay's 2024 Scholarship Winners

MEET THE WINNERS

Liberty Bay Credit Union offers congratulations and best wishes to our 2024 scholarship winners! We are proud to support these hardworking scholars as they pursue their education and dreams.

Molly Sheehan

JANE B. CELLA COMMUNITY SERVICE AWARD

Matthew Coveno

WINIFRED BOLTER COMMUNITY SERVICE AWARD

Rebecca Brooks

THOMAS B. NORTON SCHOLARSHIP

Michelle Cullen

ARTHUR T. HOWELL SCHOLARSHIP

Abigail Hart

MICHAEL J. MCCARTHY SCHOLARSHIP

Thomas McCarthy

FRANCIS SYLVESTER SCHOLARSHIP

Alyson Mantville

RONAN JAMES MCCARTHY SCHOLARSHIP

Caitlan McCarthy

ARTHUR W. LEARY SCHOLARSHIP

Victoria Harte

LOUIS RAFFIO SCHOLARSHIP

Eva Pastore

JOHN C. GRONBERG SCHOLARSHIP

Christopher Raney

JOHN F. MONOHAN JR. SCHOLARSHIP

Jack Iannibelli

KEVIN F. MCCONE SCHOLARSHIP



University of
New Hampshire



Ucla

LUX ET SPES



STONEHILL
COLLEGE



C
CURRY
COLLEGE

NC STATE
UNIVERSITY



WISCONSIN
UNIVERSITY OF WISCONSIN-MADISON



BELMONT
UNIVERSITY



PROVIDENCE
COLLEGE

Salem
STATE UNIVERSITY

Financial Highlights

BALANCE SHEETS	December 31, 2023		December 31, 2022	
	(in thousands)			
ASSETS				
Cash & Cash Due from Banks	\$	24,395	\$	17,067
Investments		123,012		142,541
Loans, Gross		611,440		553,966
Less: Allowance for Loan Losses		(3,233)		(2,646)
Loans, Net of Allowance for Loan Losses		608,207		551,320
Other Assets		30,538		33,067
TOTAL ASSETS	\$	786,152	\$	743,995
LIABILITIES				
Member Shares	\$	342,868	\$	402,781
Member Term Shares		194,348		154,048
Non-member Shares		498		-
Borrowings		139,000		84,000
Other Liabilities		8,971		9,115
Total Liabilities		685,685		649,944
EQUITY				
Undivided Earnings		111,759		108,301
Equity Acquired in Merger		3,667		3,667
Accumulated Other Comprehensive Income (Loss)		(14,959)		(17,917)
Total Equity		100,467		94,051
TOTAL LIABILITIES & EQUITY	\$	786,152	\$	743,995

STATEMENTS OF INCOME & EXPENSES	December 31, 2023	December 31, 2022
	(in thousands)	
Interest Income on Loans	\$ 26,078	\$ 19,969
Interest Income on Investments	4,304	2,988
Total Interest Income	30,382	22,957
Dividends on Shares	5,736	1,960
Interest on Borrowings	5,547	1,050
Total Interest Expense	11,283	3,010
Net Interest Income	19,099	19,947
Provision for Loan Losses	772	(1,431)
Net Interest Income, after Provision	18,327	21,378
Fee Income	1,115	1,210
Other Operating Income	1,854	1,611
Net Gain (Loss) on Disposition of Assets	(58)	(263)
Total Non-interest Income	2,911	2,558
Employee Compensation	10,766	9,407
Office Occupancy & Operations	3,700	4,014
Professional & Outside Services	1,316	1,292
All Other Operating	2,018	2,441

LEADERSHIP

John M. Parillo
President and CEO

Joseph A. Bears
*Senior Vice President
Chief Information Officer*

Mark W. Constable
*Senior Vice President
Chief Compliance and
CRA Officer*

Paul M. Gravellese
*Senior Vice President
Chief Lending Officer*

Brenda M. McGillicuddy
*Senior Vice President
People Operations*

Katherine J. Peila
*Senior Vice President,
Chief Administrative Officer*

Frederick C. Williams, Jr.
*Senior Vice President,
Chief Financial Officer*

BOARD OF DIRECTORS

Peter S. Lincoln
Chairman of the Board

Patrick J. Foley
Vice Chairman

Stephen J. Kelley, Sr.
Second Vice Chairman

Robert B. Foley, Jr.
Treasurer, Audit Committee Chair

Sean J. Cashman
Clerk

Gerard L. Burm
Credit Committee Chair

Thomas J. Flynn
Investment Committee Chair

Edward R. Foley
Director

Eugene T. Leahy
Director

Edward J. McColgan
Director

Michael F. McCarthy
Director

Robert J. Mitchell
Director

William T. Murphy
Director



Braintree

*300 Granite Street
Braintree, MA 02184*

Scituate

*9 Brook Street
Scituate, MA 02066*

Hingham

*10 Downer Avenue
Hingham, MA 02043*

